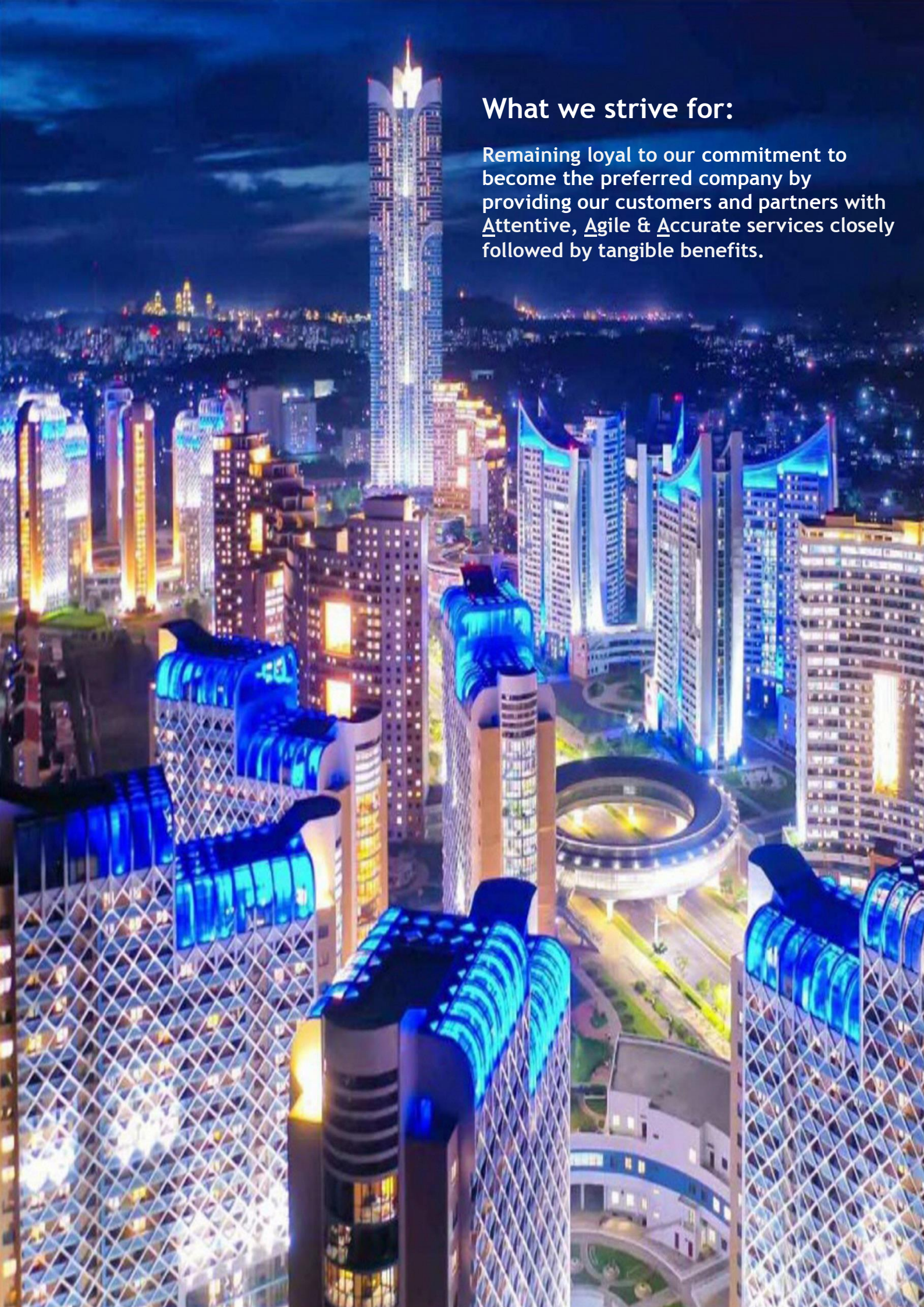
POLESTAR
INSURANCE COMPANY

ANNUAL REPORT
2024



What we strive for:

Remaining loyal to our commitment to become the preferred company by providing our customers and partners with Attentive, Agile & Accurate services closely followed by tangible benefits.

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CORPORATE CULTURE

OUR VISION

To be the leading underwriter recognized for its professionalism, integrity and innovation, making the local market as its home ground with credible and quality service

OUR MISSION

To provide a package of insurance services at the level of international standards to protect interests of our clients

BUSINESS ATTITUDE

Aspiration for greater successes

Technological innovation

Fresh idea and approach

BUSINESS FOCUS

Underwriting, Clients, Risk Management, Talent Management, Financial Management

CORE VALUES

BUSINESS PHILOSOPHY

Prudence - We aim to enhance corporate value and increase confidence through practicing solid and sound management.

Innovation - We aim to be a company that is innovative and full of creativity and dynamism by developing personal characteristics and talent of individual personnel.

Openness - We aim to be company that listens to what individual client says, swiftly responds to changes of the times and continues to create new value in order to achieve continued growth.

Mutual benefit - We aim to be a company that grounds its operations with the spirit of "Client oriented service" and contributes to the national economy development, people's living standards and social stability as a service company that provides security and offer protection against risk.

CORPORATE PROFILE

Polestar Insurance Company is one of the leading Non-life insurance companies in the country and was established and incorporated on 22nd August 2016 and started business operation in September 2016. The Company adheres to the principle of providing maximum security at a minimum cost and prompt settlement of claims to its clients. Since its establishment in 2016, the Company has established itself as one of the most reputed and trustworthy insurance companies in the country.

The principal activities of the Company are to provide non-life insurance products, reinsurance and financial investment activities which are in line with prevailing laws, rules and regulations of the DPR Korea. The company has a very strong financial base. As one of the leading non-life insurance enterprise in the country, the Company's authorized capital is KPW 3 billion.

The Company offers a prompt, comprehensive and well-diversified range of products and risk management solutions to various types of customers to their best satisfaction through current network of 15 branches at different locations of the country. In addition to our branch network operations, the Company also transacts its business using a network of broker and agents spread across the length and breadth of the country.

The Company always works hard for its clients to deliver new products and services while maintaining a commitment to safety, security and sustainability. Insurance is a long-term business where trust plays a critical role. The Company has established that trust over the years by remaining committed to providing well diversified range of products that serve the various needs and expectations of our customers and by delivering service excellence through transparent and timely claims settlement. Selective underwriting and prompt settlement of claims have contributed towards building up a very respectable image of the Company. By now, the Company has been able to uphold the reputation as a prompt claim settler, superior service provider, and diversified product supplier in the non-life insurance sector in the country.

Due to its warmhearted customer service and fast payment of insurance claim by providing proper insurance coverage with accurate risk assessment, the Company has been embraced with financial strength and credit rating "STABLE OUTLOOK". The company's competitive advantage is achieved by having sufficient paid-up capital and reserves, and a well-diversified business portfolio.

CORPORATE INFORMATION

Name of the Company	Polestar Insurance Company
Legal Status	Legal entity and the Company
Type of Organization	Non-life Insurance Company
Nature of Business	Insurance and Reinsurance Business
Certificate of Incorporation	BH-105-1
Date of Incorporation	22nd August 2016
Commencement of Operation	21st September 2016
Registered Office	Kallimgil-dong No.2, Mangyongdae District, Pyongyang, DPR Korea
Corporate Head Office	Kallimgil-dong No.2, Mangyongdae District, Pyongyang, DPR Korea
Tax Payer Identification No.	19880099-01-7-2024
Authorized Capital	KPW 3,000,000,000
Paid-up Capital	KPW 3,000,000,000
Telephone No.	850-2-18111 Ext. 3818623
Email	polestar.ins@silibank.net.kp
Website	www.naenara.com.kp/sites/polestar
Total No. of Branches	15
Credit Rated by	Ministry of Finance assigned Financial strength and Credit rating STABLE OUTLOOK
Accounting Year	1st January to 31st December
Statutory Auditors	Pyongyang Office of Auditors

PRODUCTS & SERVICES

Fire

Fire Insurance and Allied Perils Insurance
Home Insurance
Industrial All Risks Insurance
Business Interruption Insurance

Engineering

Machinery Breakdown Insurance
Contractors' All Risks Insurance
Erection All Risks Insurance
Civil Engineering Completed Risk Insurance

Agriculture

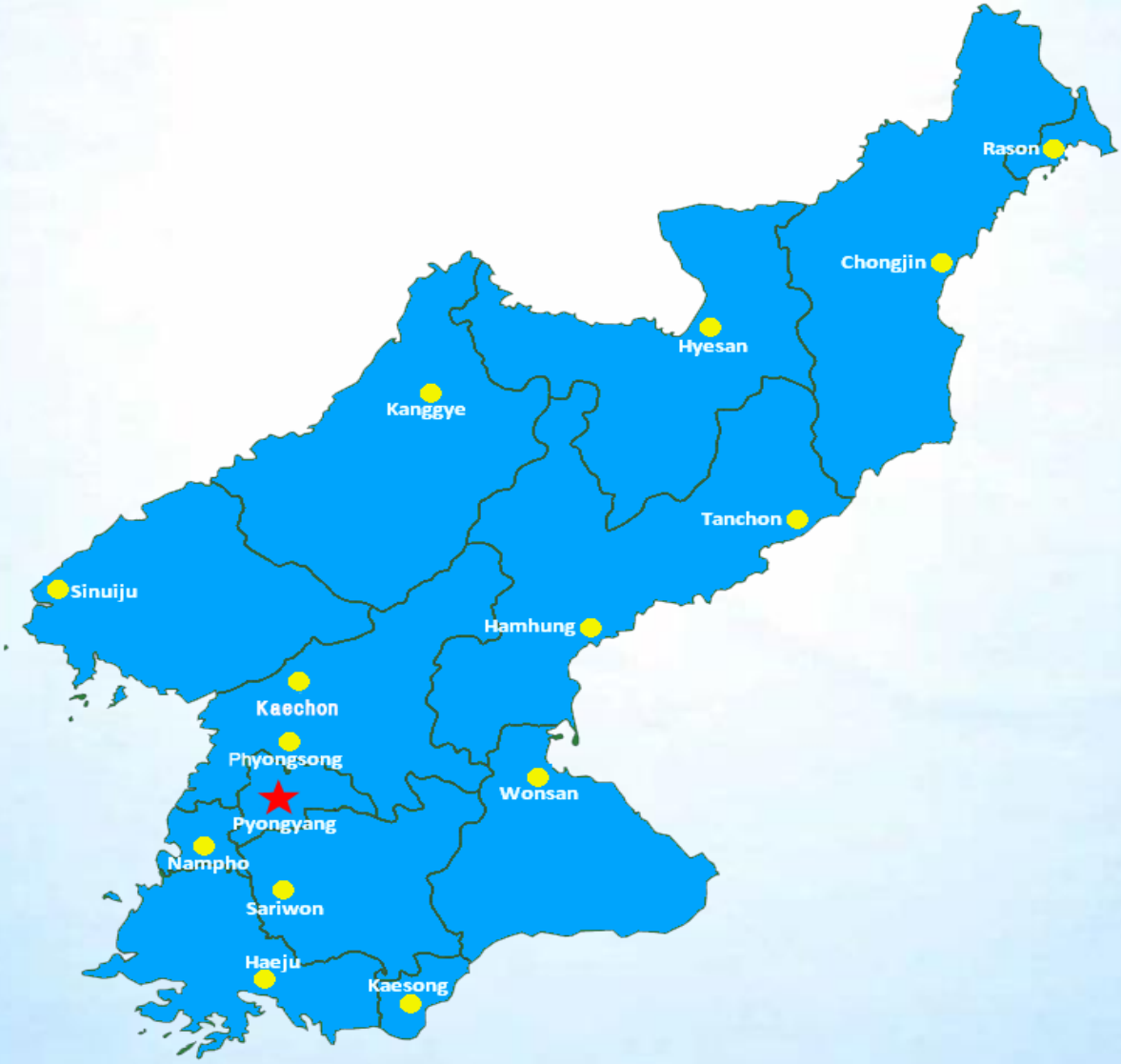
Crop Insurance
Fruit Insurance
Aquaculture Insurance

Miscellaneous

Credit Insurance
Travel Insurance
Professional Indemnity Insurance
Home Contents Insurance

REGIONAL NETWORK

Over the journey of 8 years, the Company has consolidated its presence at key economic and strategic locations all over the country through its 15 branches, thus ensuring wider reach and customer accessibility and meeting customers' needs and expectations throughout the entire country.



★ Head Office

● Branch Offices

MILESTONES

2016

August 22
Incorporation of the Company
September 21
Commencement of Business
September 22
Signing of First Insurance business
September
Openning of Branches In the cities of Pyongyang, Phyongsong,Sinuiju, Haeju, Sariwon, Kanggye, Wonsan, Hamhung, Chongjin, Hyesan, Nampho

2017

July
Signing of agreement of property reinsurance with foreign insurance companies
December
Gross written premium to record KPW 1.8 billion, an increase by nearly 8 times year-on-year

2018

April
Member of the Federation of Afro-Asian Insurers & Reinsurers (FAIR)
April
Introducing a travel insurance
November
Assigning of a financial strength and credit rating of STABLE OUTLOOK by Ministry of Finance

2019

March
Writing of reinsurance inward business from international markets
April
Opening of a branch in the city of Rason

2020

December
Realizing of gross written premium production in excess of KPW 3 billion

2021

March
Opening of a branch in the city of Kaesong

2022

March
Obtaining of a certificate of authorization for Professional Indemnity insurance
October
Opening of two branches in the cities of Tanchon and Kaechon
December
First dividend is allocated and distributed to owners

2023

December
Obtaining a certificate of authorization for the household insurance

STATEMENT FROM CEO

On behalf of the management of Polestar Insurance Company and myself, it is my honor and a privilege for me to present you with 2024 Annual Report and Financial Statements for the financial year ended 31st December 2024.

The year behind was marked with both challenges and triumph. Floods hit some areas of the North Phyongan, Jagang and Ryanggang provinces, which restrained the obstacles in the way of normal development and advance of the state work. But the remarkable achievements have been witnessed in this year's struggle to firmly keeping overall growth trend of the national economy and further improve the material and cultural life of the people.

The material and technical foundations for guaranteeing the growth of production have been further strengthened in various sectors of the national economy and the first completed entities have been simultaneously produced in twenty cities and counties throughout the country for implementing the Regional Development 20X10 Policy to provide cities and counties across the country with the basic material and technical foundations strong enough for their diversified and independent development in the next ten years. In particular, the recovery from flood damage has been finished within the fixed period in 2024, thus ensuring a normal and stable life of the people in the flood-hit areas. Many monumental project including the capital and rural houses, Kangdong General Greenhouse Farm and Sinpho City Offshore Farm as a model base for offshore cultivation has been built to create a favorable environment for the economic development and the people's stable life.

The year 2024 was a year when all the staff of the Company displayed their utmost dedication and professionalism and marked strategic growth and proportionate development.

During the year 2024, the Company achieved gross premiums income totaling KPW 4,669,984,219 in 2024 from KPW 4,143,580,936 in 2023, a year-on-year increase of 12.7%, which brings about an increase in net premium income by 6.68% to KPW 4,295,421,404 from KPW 4,026,410,195 over the previous year. The Company incurred net acquisition costs of KPW 515,962,463, an increase of KPW 130,235,913 due to increase of risk survey fee and agency commission. The operating expenses amounted to KPW 189,015,154, increased by KPW 52,601,627. Our Claim payment for the year 2024 recorded 84% increase of KPW 2,102,624,433 compared to KPW 1,140,911,515 in 2023.

Profit before payment to state decreased by 37.1% from KPW 2,458,009,581 to KPW 1,547,329,874. The Company posted net profit of KPW 1,160,497,406, down KPW 683,009,781 from 2023. Net profit was 37.1% below the previous year's record level, thereby representing the second-best results in the history of the Company. These results can be attributed primarily to a substantial improvement in the combined ratio, which was over that of the previous years.

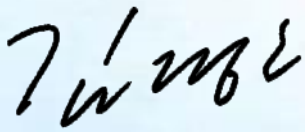
Total assets also experienced healthy growth, rising by 10.5% year-on-year to KPW 13,651,685,677 compared to KPW 12,353,940,857 in 2023. The total equity amounted to KPW 11,902,127,138 on 31st December 2024, which was an increase of 9.3% over the previous year.

National economy has been put on a steady upward track over the years, which is expected to continue in the coming years too. The year 2025 is the last year of implementation of the Five-Year Plan for the Development of the National Economy.

In keeping with favorable circumstances and conditions that government pushes ahead with the work for building flats in Pyongyang Municipality and for regional construction and rural construction in a big way, the company will further expand its insurance business, raise the level of customer-centered insurance service and continue to improve the level of risk management, thus financially backing up the overall development of national economy and achieving stable and sustainable development of the Company.

For business operation in 2025, the Company will focus on continuing the strategy from 2024 to improve channel of distribution, marketing, products, underwriting, operation and human resource to make the Company become the leader in innovation as well as to make appropriate insurance products and services accessible and preferable by everyone.

The company's remarkable success is underpinned by active and creative services involved by all our staff, and I extend my sincerest appreciation to all of them. I am deeply grateful to our dedicated employees for their unwavering commitment and professionalism. Similarly, I would like to express my sincere gratitude to our esteemed customers, whose deep trust in us has been constant. I am also deeply thankful to our dedicated agents, insurance broker, and reinsurance partners for their commitment and valuable contributions. As we enter the next year, we eagerly anticipate their continued support, which will undoubtedly play a vital role in our ongoing growth and achievements.



Kim Kyong Hun
Chief Executive Officer

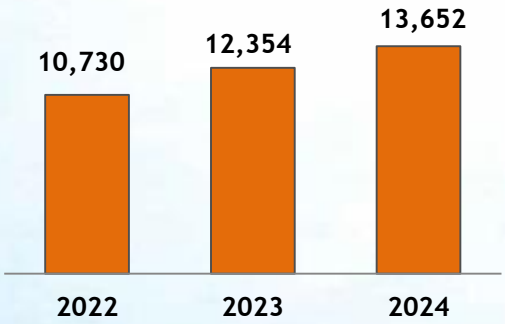
CORPORATE STRUCTURE

FINANCIAL HIGHLIGHTS

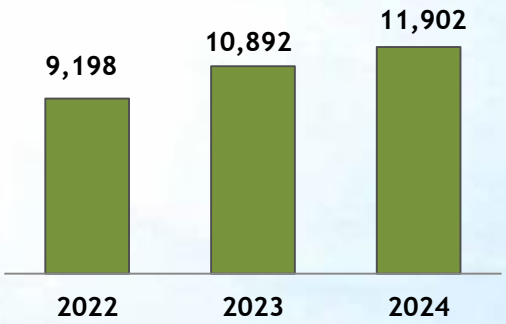
During the year, the Company has not only focused on retaining our existing business but also strategized on excavating potential opportunities, the success of which is reflected in satisfactory overall financial growth of the year under review.

Financial Highlights (KPW million)	2022	2023	2024
Total Assets	10,730	12,354	13,652
Total Equity	9,198	10,892	11,902
Gross Written Premium	3,922	4,144	4,670
Paid Loss	2,206	1,141	2,103
Profit before payment to state	999	2,458	1,547
Net Profit	749	1,844	1,160
Return on Equity	8.1%	16.9%	9.8%

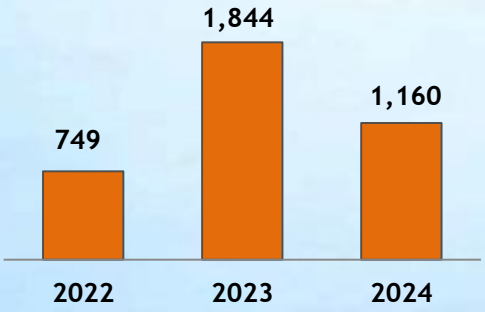
TOTAL ASSETS



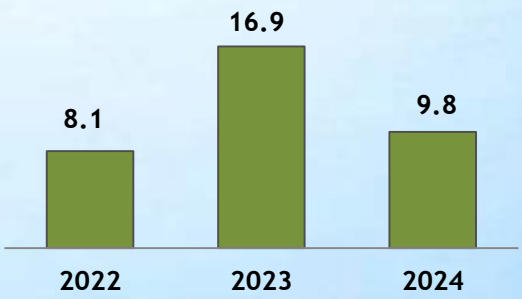
TOTAL EQUITY



NET PROFIT



RETURN ON EQUITY



PERFORMANCE REVIEW

BUSINESS GROWTH

The Company has shown strong growth in gross written premium. This is due to double digit growth shown by most of the classes of business during the year.

The company's underwriting operation covers fire, engineering, agriculture, travel, credit, professional indemnity, household insurance. Fire and agriculture insurance contribute the most to total Gross Written Premium, accounting for 39.7% and 28.5% respectively.

In 2024, gross written premium increased to KPW 4,669,984,219 as compared to KPW 4,143,580,936 in 2023. The net earned premium income was 92% (KPW 4,295,421,404) of total gross written premium underwritten as compared to the net earned premium of 97% (KPW 4,026,410,195) in 2023. Total paid losses increased by 84.3% to KPW 2,102,624,433 a year-on-year, while net claims incurred were KPW 2,085,322,001, representing an increase by 93.4% year-on-year.

The underwriting results reported a profit of KPW 1,694,136,939 in 2024 as against a profit of KPW 2,562,989,930 in 2023.

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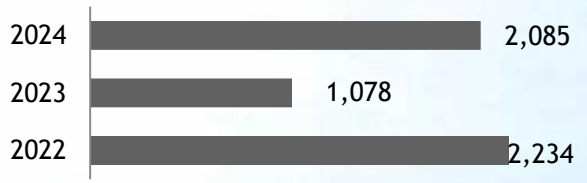
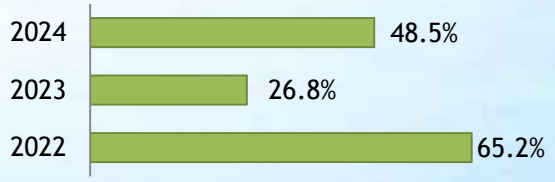
Net Premiums Earned
(KPW Million)

Net Claims Incurred
(KPW Million)



Loss Ratio (%)



PERFORMANCE REVIEW

PORTFOLIO ANALYSIS

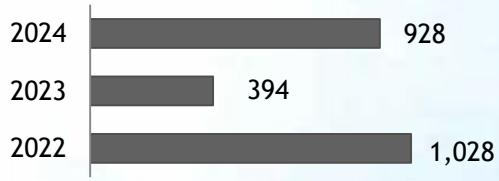
FIRE

In the non-life insurance sector, Fire Insurance is a high-risk business. Due to the large sum insured and high risk exposure, the lion's share of written premium is ceded for reinsurance protection, making it hard to achieve the positive operating result from the fire insurance.

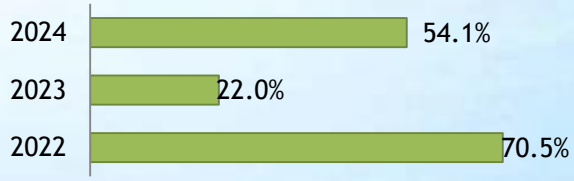
Fire Insurance takes the biggest share of the Company's total gross premiums accounting for 39.8% in 2024. The segment has been increased by 4% from KPW 1,785,370,326 in 2023 to KPW 1,857,165,572 in 2024, backed by the national investment in construction of housing and major projects. The net premium earned from the Fire Insurance business was KPW 1,715,092,257 after reinsurance premiums were paid. The Company's fire insurance operation resulted in net claims of KPW 927,808,987 as opposed to net claims of KPW 394,025,135 in the previous year. The negative claims experience by severe floods disasters was the main contributor to this result.

Net Premiums Earned
(KPW Million)

Net Claims Incurred
(KPW Million)



Loss Ratio (%)



PERFORMANCE REVIEW

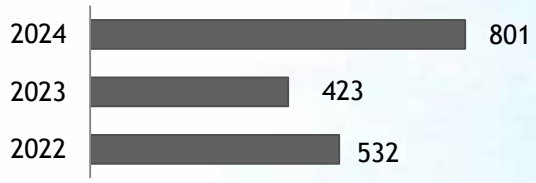
ENGINEERING

In the year 2024, the Company's engineering insurance business saw a 9.9% premium increase. The gross written premium of engineering insurance business for 2024 is KPW 994,983,840 while it was KPW 905,446,203 in 2023. The growth of engineering insurance premium largely depends on the government investment on construction in capital city and rural areas.

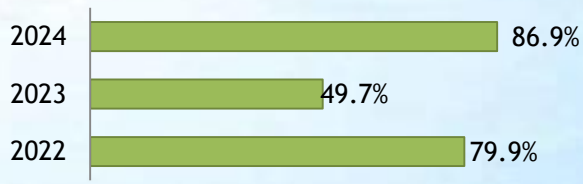
The net earned premium income stood at KPW 921,244,300 after paying reinsurance premium. Net claims incurred are significantly higher than in 2023, when they reached KPW 800,905,125, representing an increase of KPW 377,918,833 from KPW 422,986,293 in 2023. This was chiefly due to the fact that there was large level of high loss experience characterizing natural catastrophe claims in 2024.

Net Premiums Earned
(KPW Million)

Net Claims Incurred
(KPW Million)



Loss Ratio (%)



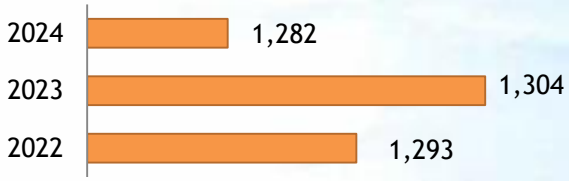
PERFORMANCE REVIEW

AGRICULTURE

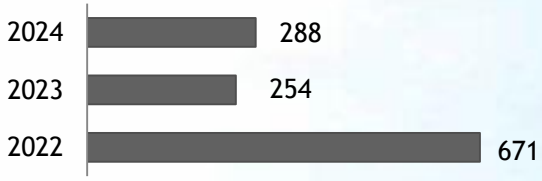
Agriculture Insurance is the second-largest segment, accounting for 28.48% of the total Premium in 2024. The total premium income registered a decrease of 1.9% from KPW 1,355,705,445 in 2023 to KPW 1,329,827,008 in 2024. After deducting reinsurance premium, the net earned premium income stood at KPW 1,281,725,411.

Paid losses were KPW 291,661,311, representing an increase of KPW 33,839,324 from KPW 257,821,987 in 2023, while net claims incurred were KPW 288,104,786, representing an increase by 13.4% year-on-year. This was chiefly due to the fact that there was large level of insurance losses affected by natural disasters.

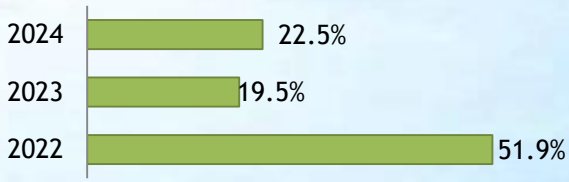
Net Premiums Earned
(KPW Million)



Net Claims Incurred
(KPW Million)



Loss Ratio (%)



PERFORMANCE REVIEW

MISCELLENEOUS

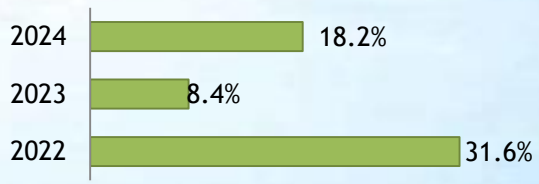
The miscellaneous insurance accounted for 10.4% of total premium income. The Company posted premium income of KPW 488,007,799, representing an increase by KPW 390,948,837 from 2023, while net earned premium was KPW 377,359,436, an increase of KPW 298,548,243 year-on-year. This growth was mainly driven by the double digit growth of credit insurance, travel insurance and professional indemnity insurance volume as well as by the underwriting of new business in home content insurance.

Total paid loss was KPW 60,903,103, while net claims incurred during the year were KPW 68,503,103.

Net Premiums Earned
(KPW Million)

Net Claims Incurred
(KPW Million)

Loss Ratio (%)



PERFORMANCE REVIEW

REINSURANCE

The Company has extensive reinsurance treaty agreements with reinsurance partners through Quota Share, CAT XL and facultative reinsurance program. Under these arrangements, the Company is in position to underwrite any amount of business with confidence to meet the various needs of its valued clients.

During the year 2024, the Company has quota share reinsurance treaties in fire, engineering, fruit and aquaculture insurance. Besides, the Company has excess of loss agreements in fire, civil engineering completed risk and crop insurance. In addition, the Company has facultative reinsurance agreements signed separately for certain fire risks based on business interruption policies.

Premiums ceded to reinsurers amounted to KPW 182,957,959, an increase by 5.1% from KPW 174,019,795 in 2023. Reinsurance recoveries are made at KPW 95,092,431.

The Company does not pursue any volume targets for inward reinsurance but concentrates exclusively on the profitability of the underwritten business. The Company will expand further its reinsurance business in close contact with the market players such as brokers, insurers and reinsurers to strengthen its footprint in the international market.

BUSINESS REPORT

INSURANCE PRODUCTS DEVELOPMENT

The Company has been directing efforts to the development of new insurance products as well as to improving its existing insurance products in response to the trends in the development of local insurance market. Thus, home contents insurance is launched into the market. In addition, activities have been pursued to effect renewable insurance contracts aimed at key clients.

UNDERWRITING RESULTS

Underwriting is the core of Insurance business. The quality of underwriting has a direct impact on the Company's ability to grow. The Company's underwriting practice consists of a thorough review and precise risk management that protect the Company's interests. Total underwriting profit decreased by 33.9% from KPW 2,562,989,930in 2023 to KPW 1,694,136,939 due to Increase in payment of claim settlement and acquisition costs.

PROFITABILITY

The Company reported a decline in its profit during the current year mainly due to increase of total expenses by 35% resulting in lower profitability as compared to the previous year. This was primarily attributable to higher expenditure of paid losses suffered by catastrophic losses.

At the end of 2024, the Company has reported a profit before payment to state of KPW 1,547,329,874 and a net income of KPW 1,160,497,406 in 2024. These mainly depend on management efforts of the Company and taking necessary actions and measures aimed at steering the Company towards meeting profitability objectives for the Company.

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TOTAL ASSETS

As of year-end 2024, total assets of the Company stood at KPW 13,651,685,677, while it was KPW 12,353,940,857 in 2023. At the same time, total equity reached KPW 11,902,127,138 in 2024, compared with 10,891,629,732 in 2023, up 9.3% year-on-year. Return on assets and return on equity have decreased from last year by 6.4% and 7.2%, respectively in line with reduced profits margins. With a share of 90% representing the largest item in total assets, total cash and cash equivalents increased by 3.9% year-on-year to KPW 12,296,091,472, giving confidence with respect to payment of possible losses to policyholders with this large volume.

CORPORATE MANAGEMENT REVIEW

OUR CUSTOMER

Our clients have been core to our success and the Company truly appreciates their continued support. Trust and faith our customers have reposed in us is our most valued asset. Thus, customer-first policy remains as our guiding principle, driving us to tailor solutions that resonate with the unique needs and desires of our policyholders.

As we continue to expand our portfolio of diversified insurance products, we are mindful of the diverse needs of our key clients. The Company also continues to meet their needs by providing them with unique solutions and unmatched experiences.

We will maintain our firm commitment to be the premier insurance organization of international standard to cultivate enduring relationships with our customers founded on trust, satisfaction and mutual respect by consistently delivering exceptional services and efficiency.

OUR STAFF

The Company respects their dignity and recognizes their merit. We highly appreciate the creativity of our employees. We recognize that our greatest strength lies in the collective talents and expertise of our employees.

Through effective communication, mutual respect, and shared goals, we create an environment where every individual feels valued and empowered to contribute their talents towards a common objective. Our commitment to teamwork extends beyond departmental boundaries, fostering a culture of collaboration and cooperation that permeates every aspect of our Company.

INNOVATION

Our dedication to innovation ensures that we remain agile and adaptable in a rapidly evolving insurance market, positioning us at the forefront of domestic insurance industry trends and developments.

PROFESSIONALISM

Professionalism is the cornerstone of our approach to business. We pride ourselves on our commitment to excellence, conducting ourselves with the highest levels of expertise, diligence, and integrity.

Our staff members possess a deep understanding of their respective roles and responsibilities, enabling them to deliver service with precision and proficiency. By upholding the highest standards of professionalism, we earn the trust and confidence of our customers and partners, solidifying our reputation as one of leading insurers in the domestic insurance market.

RISK MANAGEMENT EXCELLENCE

The Company maintains to enhance its ability to effectively assess, mitigate, and manage risk. We employ robust risk management practices to identify potential threats and vulnerabilities, implementing strategies to minimize their impact on our operations. Through comprehensive risk assessments and active risk mitigation efforts, we strive to protect our customers, assets, and reputation from potential harm and to ensure continuity of operations and safeguard the interests of our Company.

REGULATORY COMPLIANCE

At the forefront of our priorities is strict adherence to the regulatory standards and guidelines set forth by the State Insurance Commission. The Company adheres strictly to all applicable laws and regulations governing the insurance sector.

HUMAN RESOURCES

POLICY

The Company's success is not just measured by our financial strength, but by the passion, commitment, and hard work of our employees. They are the backbone of the company, dedicated to delivering the highest quality service and support to our customers.

Human resources are considered as the prime asset of the company and play an instrumental role in securing the future success of the Company. It is the combination of competencies, knowledge and personality that can be enhanced through education, training and experience. During its journey of 8 years, the company is able to place itself in its current position with the help of loyal employees. The Company has a large number of professionals and qualified employees. The company imposes highest importance on improvement of job skill and the professional competence of its employees.

TRAINING

The Company always realizes that it requires technically qualified people to properly administer the insurance and reinsurance business as insurance is highly technical subject dealing with the whole field. Thus, the company attaches importance on improvement of job skill and professional competence of its employees through various training courses. During the year 2024, a total number of 21 training course was conducted to enhance the skills of all its employees.

LEARNING DEVELOPMENT

The Company recognizes that ongoing learning is essential for the Company growth. We invest in the continuous training and development of our employees, providing opportunities for skill enhancement, career advancement and knowledge acquisition.

CONTRIBUTION TO THE NATIONAL ECONOMY

Insurance plays a crucial role in the sustainable growth of an economy. An insurance sector is also important in encouraging domestic production, innovation and trade.

The Company is one of the major contributors to the national economy in Insurance industry. The company has paid KPW 386,832,468 to the government as corporate tax payer by complying with all relevant laws and regulation in the country.

CORPORATE STRATEGY

GROWTH

It is the ambition of the Company to maintain its attractive business portfolios and to grow dynamically and sustainably in its existing country markets. The Company wants to remain one of the leading providers in the home market and to take its position in foreign markets in the long run.

The Company had a solid capital base and a wealth of experience, which make it possible to seize profitable opportunities. The Company will particularly develop innovative products in keeping with growing demand of the customers. The Company will also boost the expansion of reinsurance businesses in the international insurance markets.

The Company is convinced that it will be able to create the most value for its customers and employees by continuing with its profitable growth strategy.

PROFITABILITY

Efficiency improvements lay the foundation for sustainably increasing our productivity. In this regard, it is very important to establish interaction between underwriting and investment that target the achievement of our objectives. The Company will sustainably enhance its profitability by exploiting potential for investment.

CUSTOMER LOYALTY

Customer relationship management refers to an in-depth knowledge of the needs of our insured and partners. The Company will continuously strive to understand our clients' needs and develop the best possible solutions for them, in a joint dialogue. We are addressing the increasing importance of social media with the Company, which provides for a new type of dialogue with existing and potential customers.

The Company will make further progress in the three central strategic pillars of growth, profitability and customer loyalty.

REPORT OF INDEPENDENT AUDITORS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Polestar Insurance Company ("the Company"). These financial statements comprise the Balance Sheet as at 31st December 2024 and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year ended as set out below.

THE COMPANY'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company is responsible for the preparation and fair presentation of these financial statements that give a true and fair view in accordance with the requirements of the Financial Law, Accounting Law and Auditing Law of DPR Korea.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with the Law of DPK Korea on Auditing.

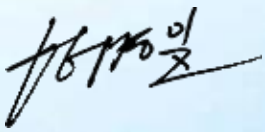
Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

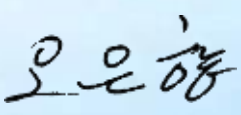
AUDITOR'S OPINION

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Company as at 31st December 2024, and of the Company's Income, Changes in Equity and Cash Flow for the year then ended in accordance with the Law of DPK Korea on Auditing.

Han Myong Il, Director, Pyongyang Office of Auditors of DPRK



O Un Hyang, Manager, Pyongyang Office of Auditors of DPRK



Pyongyang, 18th April, 2025

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

ASSET	2022	2023	2024
Cash and cash equivalents	10,292,954,376	11,835,080,000	12,296,091,472
Reinsurance Assets	68,007,960	66,813,981	78,765,539
Account receivables	89,897,979	84,998,862	110,204,495
Deferred acquisition cost	40,260,275	128,168,639	160,023,292
Prepayment	933,064	993,570	1,099,760
Property, plant and equipment	212,160,573	213,178,978	231,030,473
Intangible assets	25,746,477	24,706,827	24,470,646
Statutory deposits			750,000,000
TOTAL ASSETS	**10,729,960,703**	**12,353,940,857**	**13,651,685,677**
LIABILITIES			
Provision for unearned premiums	1,342,009,158	1,286,938,125	1,483,984,539
Provision for outstanding claims	184,300,000	163,900,000	248,200,000
Other liabilities	5,529,000	11,473,000	17,374,000
TOTAL LIABILITIES	**1,531,838,158**	**1,462,311,125**	**1,749,558,539**
EQUITY			
Paid-up capital	3,000,000,000	3,000,000,000	3,000,000,000
Organization fund	2,000,000,000	2,000,000,000	2,000,000,000
Contingency reserve	2,960,000,000	3,088,150,000	3,172,860,000
Retained earnings	1,238,122,545	2,803,479,732	3,729,267,138
TOTAL EQUITY	**9,198,122,545**	**10,891,629,732**	**11,902,127,138**
TOTAL LIABILITIES AND EQUITY	**10,729,960,703**	**12,353,940,857**	**13,651,685,677**

FINANCIAL STATEMENTS

STATEMENT OF INCOME

	2022	2023	2024
Net earned premium	**3,426,803,995**	**4,026,410,195**	**4,295,421,404**
Gross premium written	3,922,923,360	4,143,580,936	4,669,984,219
Change in unearned premium	(294,738,075)	55,071,033	(197,046,414)
Premiums ceded	(195,037,631)	(174,019,795)	(182,957,959)
Change in reinsurer's share of provision for unearned premiums	(6,343,659)	1,778,021	5,441,558
Net claims incurred	**(2,234,228,930)**	**(1,077,693,715)**	**(2,085,322,001)**
Gross paid loss	(2,206,576,307)	(1,140,911,515)	(2,102,624,433)
Reimbursement of claims for risks ceded to reinsurers	68,592,377	45,789,800	95,092,431
Change in outstanding losses	(96,245,000)	17,428,000	(77,790,000)
Net acquisition costs	**(155,047,950)**	**(385,726,550)**	**(515,962,463)**
Underwriting Profit	**1,037,527,115**	**2,562,989,930**	**1,694,136,939**
Other income	**46,176,877**	**33,957,179**	**45,233,499**
General and administrative expenses	**(83,236,732)**	**(136,413,528)**	**(189,015,154)**
Other expenses	**(1,263,000)**	**(2,524,000)**	**(3,025,410)**
Profit/loss before payment to state	**999,204,260**	**2,458,009,581**	**1,547,329,874**
Payment to state	**(249,801,065)**	**(614,502,395)**	**(386,832,468)**
PROFIT/LOSS FOR THE PERIOD/YEAR	**749,403,195**	**1,843,507,186**	**1,160,497,406**

FINANCIAL STATEMENTS

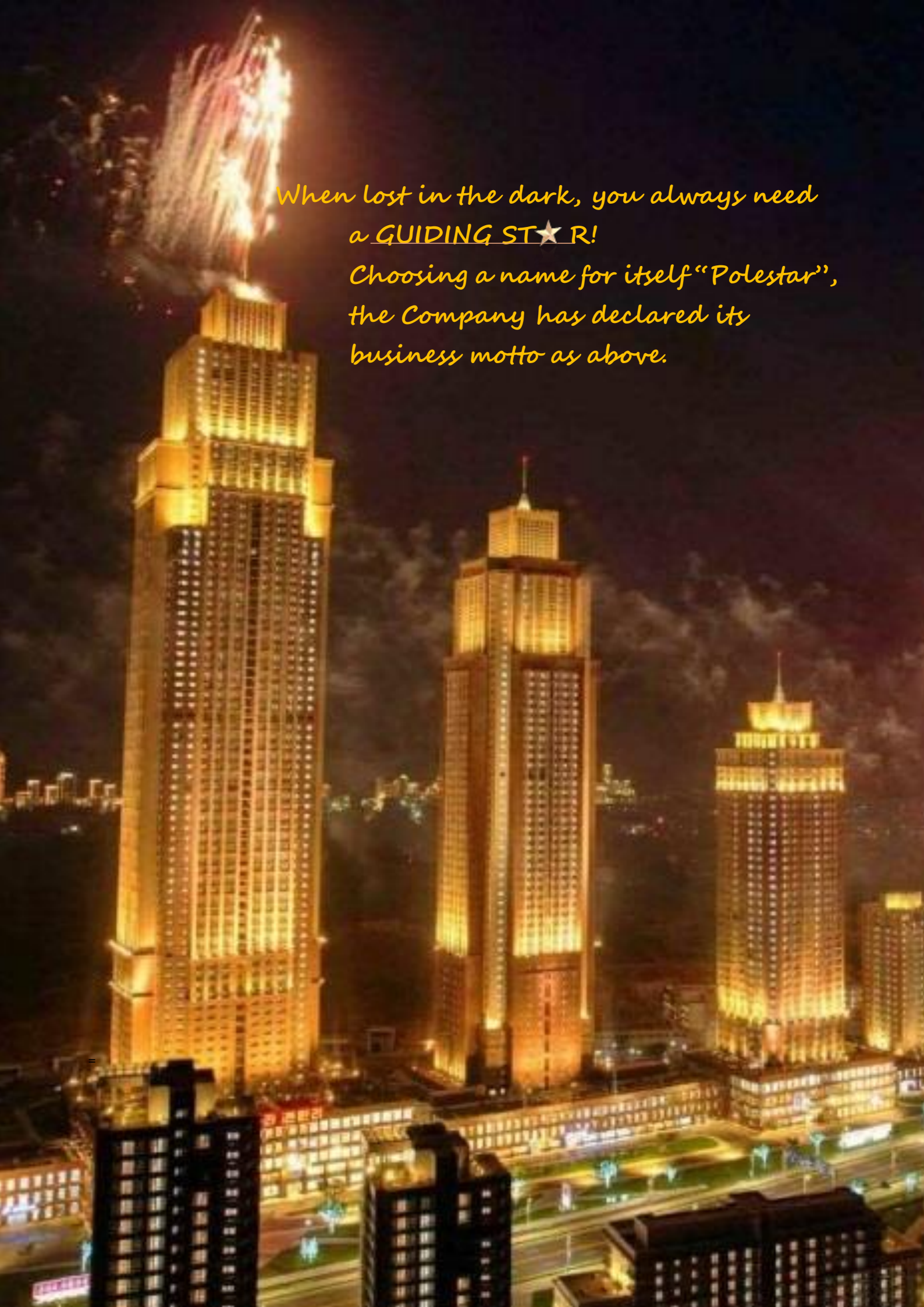
STATEMENT OF CHANGES IN EQUITY

	Paid-up Capital	Organization Fund	Contingency Reserve	Retained Earnings	Total Equity
Balance as 1st January 2022	**3,000,000,000**	**2,000,000,000**	**2,000,000,000**	**1,583,719,350**	**8,583,719,350**
Profit/loss for the period/year	-	-	-	749,403,195	749,403,195
Transfer to contingency reserve	-	-	960,000,000	(960,000,000)	-
Dividends relating to prior periods paid during the year	-	-	-	(135,000,000)	(135,000,000)
Balance as of 31st December 2022	**3,000,000,000**	**2,000,000,000**	**2,960,000,000**	**1,238,122,545**	**9,198,122,545**
Balance as 1st January 2023	**3,000,000,000**	**2,000,000,000**	**2,960,000,000**	**1,238,122,545**	**9,198,122,545**
Profit/loss for the period/year				1,843,507,186	1,843,507,186
Transfer to contingency reserve			128,150,000	(128,150,000)	
Dividends relating to prior periods paid during the year				(150,000,000)	(150,000,000)
Balance as of 31st December 2023	**3,000,000,000**	**2,000,000,000**	**3,088,150,000**	**2,803,479,732**	**10,891,629,732**
Balance as 1st January 2024	**3,000,000,000**	**2,000,000,000**	**3,088,150,000**	**2,803,479,732**	**10,891,629,732**
Profit/loss for the period/year				1,160,497,406	1,160,497,406
Transfer to contingency reserve			84,710,000	(84,710,000)	
Dividends relating to prior periods paid during the year				(150,000,000)	(150,000,000)
Balance as of 31st December 2024	**3,000,000,000**	**2,000,000,000**	**3,088,150,000**	**2,803,479,732**	**10,891,629,732**

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

	2022	2023	2024
Operating activities			
Cash generated from operations	1,296,848,187	2,320,494,569	1,779,938,457
Payment to state	(249,801,065)	(614,502,395)	(386,832,468)
Transfer to statutory deposits			(750,000,000)
Net cash flows from operating activities	**1,047,047,122**	**1,705,992,174**	**643,105,989**
Investing activities		-	-
Purchase of property, plant and equipment	(39,911,643)	(11,888,270)	(29,114,940)
Purchase of intangible assets	(13,676,994)	(1,978,280)	(2,979,577)
Net cash flows from investing activities	**(53,588,637)**	**(13,866,550)**	**(32,094,517)**
Financial activities		-	-
Net borrowing	-	-	-
Dividends paid	(135,000,000)	(150,000,000)	(150,000,000)
Net cash flows from investing activities	**(135,000,000)**	**(150,000,000)**	**(150,000,000)**
Net change in cash and cash equivalents	**858,458,485**	**1,542,125,624**	**461,011,472**
Cash and cash equivalents at beginning of year	**9,434,495,890**	**10,292,954,376**	**11,835,080,000**
Cash and cash equivalents at end of year	**10,292,954,376**	**11,835,080,000**	**12,296,091,472**


When lost in the dark, you always need
a GUIDING ST★R!
Choosing a name for itself "Polestar",
the Company has declared its
business motto as above.